

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 18, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2911 by White (Relating to next generation 9-1-1 service; increasing a fee.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2911, As Engrossed : an impact of \$0 through the biennium ending August 31, 2023.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue Gain/(Loss) from 911 Service Fees 5050
2022	\$6,450,000
2023	\$13,068,000
2024	\$13,238,000
2025	\$13,410,000
2026	\$13,584,000

Fiscal Analysis

This bill would amend the Health and Safety Code to increase the 9-1-1 emergency service fee on wireless telecommunications connections from 50 cents to 75 cents. The bill would also amend the Health and Safety Code to allow certain emergency communication districts (ECDs), rather than the Commission on State Emergency Communications (CSEC), to impose a 9-1-1 emergency service fee not to exceed 75 cents per month on each wireless telecommunications connection in the district. Fees collected from these certain districts would be collected and remitted to the Comptroller of Public Accounts (CPA) to be collected in a trust fund in the state treasury until distribution to the certain ECDs.

Methodology

According to the CPA, Harris County ECD would meet the requirements of the bill for direct distribution. Remaining fees distributed through the statewide system by CSEC would begin at \$6,450,000 for the portion of

fiscal year 2022 in which the bill would have effect and further increase to \$13,068,000 for fiscal year 2023. The CPA states there would be no administrative costs for this additional revenue and that the fee that would be imposed by the Harris County ECD would have no significant fiscal implications for the state.

According to CSEC, the bill could have a positive impact on the fund balance of General Revenue-Dedicated Fund 9-1-1 Service Fees Account No. 5050.

According to the Department of Public Safety, no fiscal impact to the agency is anticipated.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either within or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

According to CSEC, as the bill would authorize but not require Harris County ECD to set an increased wireless service fee rate for the ECD. As a result, the Commission cannot estimate the local impact of the bill.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 477 Comm/Emer Communicat

LBB Staff: JMc, SZ, GP, DKN, LCO, CMA